

STATEMENT OF BASIS (AI No. 157697)

for draft Louisiana Pollutant Discharge Elimination System permit No. LA0124095 to discharge to waters of the State of Louisiana.

THE APPLICANT IS: CUDD Energy Services
1809 Youngsville Highway
Youngsville, Louisiana 70592

ISSUING OFFICE: Louisiana Department of Environmental Quality (LDEQ)
Office of Environmental Services
Post Office Box 4313
Baton Rouge, Louisiana 70821-4313

PREPARED BY: Michelle Bickham

DATE PREPARED: June 13, 2008

1. PERMIT STATUS

A. Reason For Permit Action:

First time issuance of a Louisiana Pollutant Discharge Elimination System (LPDES) permit for a 5-year term.

B. LPDES permit - N/A
LPDES permit effective date: N/A
LPDES permit expiration date: N/A

C. Date Application Received: May 5, 2008

2. FACILITY INFORMATION

A. FACILITY TYPE/ACTIVITY - oilfield service company

CUDD Energy Services is a proposed oilfield service company. The facility will maintain equipment and products for conducting stimulation and pressure pumping, hydraulic workover, coiled tubing and nitrogen services, and well control services.

B. FEE RATE

1. Fee Rating Facility Type: minor
2. Complexity Type: III *BPJ points to 5 based on low flow and similar facilities.
3. Wastewater Type: II
4. SIC code: 1389

C. LOCATION - 1005 RPC Energy Drive, Broussard, St. Martin Parish
Latitude 30°04'31", Longitude 91°56'27"

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3. OUTFALL INFORMATION

Outfall 001

Discharge Type: internal and external equipment washwater, vehicle washwater, and hydrostatic test wastewater
Treatment: drains, sumps, oil/water separator, and separation tank with oil skimmer and wastewater treatment system
Location: at the point of discharge from the treatment system located in the south central area of the facility (Latitude 30°04'29", Longitude 91°56'29")
Flow: 1,000 gpd
Discharge Route: local drainage thence to La Salle Coulee

Outfall 002

Discharge Type: treated sanitary wastewater
Treatment: sewage treatment plant including aeration, clarification, and chlorination
Location: at the point of discharge from the sewage treatment plant located on the southeast side of the facility (Latitude 30°04'28", Longitude 91°56'26")
Flow: 1,500 gpd
Discharge Route: local drainage thence to La Salle Coulee

4. RECEIVING WATERS

STREAM - local drainage thence to La Salle Coulee

BASIN AND SEGMENT - Vermilion-Teche Basin, Segment 060801

DESIGNATED USES - a. primary contact recreation
b. secondary contact recreation
c. propagation of fish and wildlife
f. agriculture

5. 303(d)/TMDL WATERBODIES

Subsegment 060801 is not listed on LDEQ's Final 2006 303(d) list as impaired. However, subsegment 060801 was previously listed as impaired for phosphorus, nitrogen, organic enrichment/low DO, pathogen indicators, suspended solids/turbidity/siltation, and carbofuran for which the below TMDL's have been developed. The Department of Environmental Quality reserves the right to impose more stringent discharge limitations and/or additional restrictions in the future to maintain the water quality integrity and the designated uses of the receiving waterbodies based on additional TMDL's and/or water quality studies. The DEQ also reserves the right to modify or revoke and reissue this permit based on any changes to

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establish TMDL's for this discharge or to accommodate for pollutant trading provisions in approved TMDL watersheds as necessary to achieve compliance with water quality standards.

Total Maximum Daily Loads (TMDL's) completed:

Nitrogen/Phosphorus

The TMDL for Dissolved Oxygen and Nutrients in the Vermilion River was final on April 5, 2001. No allocation was given to point source discharges in the Vermilion Teche River Basin. LEQ's position on nutrients as supported by the ruling in *Sierra Club v. Givens*, 710 So.2d 249 (La. App. 1st Cir.1997), writ denied, 705 So.2d 1106 (La.1998) is that when oxygen-demanding substances are controlled and limited in order to ensure that the dissolved oxygen criterion is supported, nutrients are also controlled and limited. LAC 33:IX.2707.D.1.f.iii allows the establishment of effluent limitations based on an indicator parameter for the pollutant of concern. LDEQ's consistent approach to controlling nutrients where the WQMP does not otherwise require specific nutrient limitations is achieved by limiting the discharge of oxygen-demanding substances through a BOD₅, COD, or TOC limitation. Compliance with the BOD₅, COD, and TOC limitations as the indicator parameters will result in the control of nutrients from the discharge sufficient to attain and maintain the applicable water quality standard. Effluent monitoring of the indicator parameters as conducted by the permittee in accordance with the permit in addition to LDEQ's ambient water quality monitoring program will allow for further evaluation by the Department to determine the effectiveness of the limitation. The reopener clause located in the permit allows the Department to modify or revoke and reissue the permit if the limitations as set on the indicator parameter are shown to no longer attain and maintain applicable water quality standards.

Organic Enrichment/low DO

Per EPA's Vermilion River Dissolved Oxygen and Nitrogen TMDL, limits apply to sanitary discharges and process outfalls of food processors and seafood processors. For discharges less than 25,000 GPD, secondary limits shall apply as per the TMDL. The organic enrichment/low DO impairment shall be addressed through the BOD₅, COD, and TOC parameters established in this permit.

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Pathogen Indicators

Per the Vermilion River Fecal Coliform TMDL, there will be no change in the permit requirements based upon a wasteload allocation resulting from this TMDL. The pathogen indicators impairment shall be addressed through the standard fecal coliform limitations established in this permit.

Suspended solids/turbidity/siltation

As per the TMDL for TSS, Turbidity, and Siltation for the 15 Subsegments in the Vermilion River Basin, point source loads are so small as to be insignificant and because effective policies are in place to limit TSS discharges, no specific reductions from point sources are required. Standard TSS limitations are included in this permit.

Carbofuran

The TMDL for Carbofuran in the Mermentau and Vermilion Teche River Basins was final on March 21, 2002. No allocation was given to point source discharges in the Vermilion Teche River Basin. According to the TMDL, there is only one point source in the Vermilion Teche (FMC Corp. LA0064360), but it no longer discharges Carbofuran. In addition, CUDD Energy Services has no potential to discharge Carbofuran. Therefore, requirements for Carbofuran will not be placed in this permit.

6. PROPOSED EFFLUENT LIMITS

BASIS - See Rationale below.

7. COMPLIANCE HISTORY/COMMENTS

There have been no inspections at the facility. Additionally, there have been no DMR's as the facility has never had a permit.

8. EXISTING EFFLUENT LIMITS

N/A

9. ENDANGERED SPECIES

The receiving waterbody, Subsegment 060801 of the Vermilion-Teche Basin is not listed in Section II.2 of the Implementation Strategy as requiring consultation with the U.S. Fish and Wildlife Service (FWS). This strategy was submitted with a letter dated October 24, 2007 from Boggs (FWS) to Brown (LDEQ). Therefore, in accordance with the Memorandum of Understanding between the LDEQ and the FWS, no further informal (Section 7, Endangered Species Act) consultation is required. It was determined that the issuance of the LPDES permit is not likely to have an adverse effect on any endangered or candidate species or the critical habitat. The effluent

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limitations established in the permit ensure protection of aquatic life and maintenance of the receiving water as aquatic habitat.

10. HISTORIC SITES

The discharge will be from a proposed facility. LDEQ has consulted with the State Historic Preservation Officer (SHPO) to determine whether construction-related activities could potentially affect sites or properties on or eligible for listing on the National Register of Historic Places. SHPO's response dated May 13, 2008, stated that the facility as proposed will have no potential effects.

11. TENTATIVE DETERMINATION

On the basis of preliminary staff review, the Department of Environmental Quality has made a tentative determination to issue a permit for the discharge described in the application.

12. PUBLIC NOTICES

Upon publication of the public notice, a public comment period shall begin on the date of publication and last for at least 30 days thereafter. During this period, any interested persons may submit written comments on the draft permit and may request a public hearing to clarify issues involved in the permit decision at this Office's address on the first page of the statement of basis. A request for a public hearing shall be in writing and shall state the nature of the issues proposed to be raised in the hearing.

Public notice published in:

Local newspaper of general circulation

Office of Environmental Services Public Notice Mailing List

13. STORM WATER POLLUTION PREVENTION PLAN (SWP3) REQUIREMENT

A SWP3 is included in the permit because in accordance with LAC 33:IX.2511.A.1, storm water requirements shall not be required in an LPDES permit "... except... discharges associated with industrial activity." In accordance with LAC 33:IX.2511.B.14.a-k, facilities classified as SIC code 1389 are considered to have storm water discharges associated with industrial activity.

The SWP3 shall be prepared, implemented, and maintained within (6) months of the effective date of the final permit. The plan should identify potential sources of storm water pollution and ensure the implementation of practices to prevent and reduce pollutants in the storm water discharges associated with industrial activity at the facility (see Narrative Requirements for the AI).

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Rationale for CUDD Energy Services

1. Outfall 001 - internal and external equipment washwater, vehicle washwater, and hydrostatic test wastewater (estimated flow is 1,000 gpd)

<u>Pollutant</u>	<u>Limitation</u> Mo. Avg:Daily Max (mg/l)	<u>Reference</u>
Flow	Report:Report	
COD	200:300 mg/L	LPDES General Permit LAG480000 (BPJ)
TOC	---:50 mg/L	LPDES General Permit LAG480000 (BPJ)
Oil and Grease	---:15 mg/L	LPDES General Permit LAG480000 (BPJ)
TSS	---:45 mg/L	LPDES General Permit LAG480000 (BPJ)
Benzene	---:50 µg/L	LPDES General Permit LAG480000 (BPJ)
Total BTEX	---:250 µg/L	LPDES General Permit LAG480000 (BPJ)
Lead	---:50 µg/L	LPDES General Permit LAG480000 (BPJ)
Soaps & Detergents Calculation:---		LPDES General Permit LAG480000 (BPJ)
Oil & Grease Visual:---	No Presence	LPDES General Permit LAG480000 (BPJ)
pH	6.0 - 9.0 s.u.	LPDES General Permit LAG480000 (BPJ)

Treatment: drains, sumps, oil/water separator, and separation tank with oil skimmer and wastewater treatment system

Monitoring Frequency: Daily for visible sheen; quarterly for all other parameters at the point of discharge from the treatment system located in the south central area of the facility.

Sampling for TOC, Benzene, Total BTEX, and Lead shall be conducted on days when hydrostatic test wastewater is discharged into the wastestream.

NOTE: For Soaps and Detergents, document quarterly inventory record of the quantity and type of any soap and/or detergent that is used during the calendar month.

Limits Justification: Limits and monitoring frequency are based on LAG480000, Schedule B and Schedule D and are consistent with existing individual industrial permits for similar facilities

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2. Outfall 002 - treated sanitary wastewater (estimated flow is 1,500 gpd)

<u>Pollutant</u>	<u>Limitation</u> Mo. Avg:Weekly Avg (mg/l)	<u>Reference</u>
Flow	---:Report	
BOD	---:45 mg/L	Similar discharges (BPJ); LAG530000
TSS	---:45 mg/L	Similar discharges (BPJ); LAG530000
Fecal Coliform	---:400 col./100 mL*	Similar discharges (BPJ); LAG530000
pH	6.0 - 9.0 s.u.	Similar discharges (BPJ); LAG530000
Treatment: sewage treatment plant including aeration, clarification, and chlorination		

Monitoring Frequency: Semiannually for all parameters at the point of discharge from the sewage treatment plant located on the southeast side of the facility

Limits Justification: Limits and monitoring frequency are based on LAG530000 and is consistent with similar discharges from minor industrial facilities.

*Daily max

BPJ Best Professional Judgement
su Standard Units

NOTE

For outfalls containing concentration limits, the usage of concentration limits is based on BPJ for similar outfalls since the flow is variable and estimated.